

What is Duke Really Trying to Accomplish with Their “Modernization Project”?

Let’s assume for a moment that Duke is right and peak power demands during really high usage times are causing an undue load on electric service capacity in the Asheville region. An example of peak usage events would include the extended very cold periods during last winter, where we had day after day of temperatures in the teens and single digits at night.

Did the lights go out?

Did heat pumps quit working?

Did anyone hear of such incidents in the press, TV or radio?

Duke imports, according to their own information, up to 400 Megawatts (MW) of power from outside sources. Their documentation says the coal-fired plant at Lake Julian (Long Shoals Rd. Exit on I-26) generates 376 MW of power and the backup gas turbines generate 324 MW. This is a net 1100 Megawatts.

The National Electricity Reliability Council (NERC), stated in their 2015 summer reliability report that North and South Carolina generate an overcapacity of 24% of demand on the highest hour of need on the highest day of demand during the year. This could be a single digit night in the winter or a 100+ day in July or August. NERC also says the industry standard for reserve overcapacity is 15% of peak demand, so if this is true Duke currently runs about 9% over what is considered a reasonable buffer. Off peak overcapacity is about 57%.

Let’s add the newly proposed Natural Gas power plant and what it’ll do to the amount of power available in WNC. The output number we’ve been given by Duke is that the new plant will generate 650 Megawatts of power. This is 274 Megawatts more than the current plant and will provide a total of 1374 Megawatts of power when the imported 400 megawatts of power (it’s not going away) and the additional “peak” generators creating 324MW (also not going away) are added.

Duke claims they are expecting a 15% increase in demand in the Asheville area over the next decade. The new plant will increase the available power by about 25%. What do they plan to do with all that electricity, especially during off-peak time? One could suspect they plan on shipping the excess to markets outside western North Carolina and the way they will do this is with the new 230KV transmission line being proposed. The proposal actually includes two 230KV lines on a single set of towers and the combined transmission capacity is around **800** Megawatts.

What exactly is Duke really planning to do with this project? Those of us in the affected areas really deserve to know, since our lives are about to be disrupted for the rest of our lives and the lives of generations to come. Looking backward, some of the land to be taken by Duke is part of family farms that have been held and cared for with the sweat of many generations of the same family.

Any money Duke would offer – any amount – cannot compensate for the legacy, history and love folks have put into the land. This is priceless and Duke seems to care not one whit about this. They plan to move ahead with the project, the transmission lines and the power plant in order to make their authorized 10.2% return on equity related to this \$1.1 billion investment, and has stated that they

expect to ask the Public Service Commission for a rate hike in 2019 to “pay for the needed infrastructure enhancements”.

Duke makes substantial profits when they do a large capital project even if energy consumption is on the decline (source: Duke Energy 2014 Annual Report, Page 3) and capital projects are a new focus (2014 Duke Annual Report 10-k filing, page 7). Make no mistake, this project and the rape of our land has more to do with making profits than supplying power to Asheville and the surrounding area. If supplying economic power to the area and not maximizing profits were the primary goal, the plant would be smaller and there would be no new transmission line – or even upgrading existing lines for additional capacity. This is all about “increasing Shareholder value” as the mantra of corporate America goes at the expense of family farmers, retirees and common folks.

If you have a voice, raise it. If you can write, let your elected officials, the public service commissions of NC and SC know of your displeasure with this abomination and complete disregard for decency. It's time we stood up to Corporations like Duke Energy and let them know we've had enough.